

# EXHIBIT 1

**Transcript of April 14, 2016 FBI Interview of Dr. Allen Ho**

Agent 1 So, like I said, Dr. Ho – at the hotel there, I’m sure you have lots of questions. Maybe you don’t. I don’t know. But we wanted to give you an opportunity to ask them. We wanted to give you an opportunity to hear kind of how we got to this point, because I’m sure – you know, this wasn’t what you expected today, and go over what the next couple of steps are so that you’re not walking blind, because I’m sure you’ve never done this before []. My mind would be going crazy right now, if I were sitting there. We talked about the advice and rights. I’m not going to ask you any questions. I’m just going to talk. And at the end, if you have questions, we’ll get through it and – there’s no tricks. Okay? I want to make sure that you know that. We are in a room that – it does have a recorder, and that’s as much for my protection as it is for yours, so that, you know, I promise you the world and I don’t deliver, you can say, “Hey, he promised me the world.” Or if you tell me something that’s not true and we go down a rabbit hole that we never wanted to go down –

Agent 1 – Say well, Dr. Ho wasn’t exactly truthful.

Agent 1 So that’s for us. That’s kind of where we’re at. That’s the situation. Do you agree that you want to proceed and talk?

Dr. Ho Yeah. Sure.

Agent 1 Good. Um, that’s – that’s the warrant right there. Your case went to the grand jury. You’re familiar with the grand jury process?

Dr. Ho Yes.

Agent 1 So the facts were presented, and you were indicted on a conspiracy charge. So you’re not alone in this situation, and I think that’s something that we gotta emphasize here, is that ETI – your company – was on the conspiracy, and so was CGMPC. Okay? And that’s on both charges, the violation of the Atomic Energy Act, which part? 810. I think you’re familiar with 810. Falls under the Atomic Energy Act. And the act [] foreign power of the United States. So, because you were – what the indictment says is that you were violating 810 on behalf of China, is how all that was applied. Okay?

Dr. Ho Could you explain? I get confused about this. It said I act as an agent for a foreign power. What does that literally mean?

Agent 1 Which means –it means is – that you are – so there’s a – it’s called a FARA(?). And basically what it says is that you have to register if you’re going to act on behalf of a foreign power, a foreign power being anybody other than the United States. If you’re going to act in the United States on their behalf and do things that are illegal – people obviously never register if they’re going to do illegal things. They wouldn’t tell people they’re going to do illegal things. Because – what this indictment is saying is that you broke 810. You broke the law on your recording requirements to – and the authorization from the Department of Energy and the

Secretary of Energy, and you did that for CGNPC, which is a state-owned enterprise for the People's Republic of China, you qualify for that.

Dr. Ho      Everything I thought I did or I'm still doing up to this point is just as sort of a management consultant.

Agent 1      Okay. So we'll get all there. If you wouldn't mind – let me go through what I have. And it's a lot, alright? I gotta tell you. We started a while back – and these books down here, and we'll bring them out if we need to, but – it's all [] to you. And so basically where this started was – and I'm sure you remember in May 2014, Ching Guey was coming to provide technical consulting for CGNPC and he was stopped at the border in Portland. And his things were seized. That wasn't coincidence. It wasn't accident. It wasn't racial profiling. Ching had managed to download some malware on to his work computer, and when he did so, the people reviewing it learned that he was providing this consulting overseas, without – and not even without, but purposely not telling TVA, not notifying anybody, not asking for permission. So they opened an investigation. And by the time he traveled in May, it was pretty clear that this had been going on for a while and that people like [] were asking for very specific reports that they did not have access to, but that Ching Guey did through his work at TVA, specifically the EPRI reports.

Dr. Ho      [] because I was not aware of all those details, okay. You said the guy [] asked reports?

Agent 1      Yes.

Dr. Ho      To Ching Guey?

Agent 1      Yes.

Dr. Ho      Okay. Um –

Agent 1      So we'll get to the questions. I just want you to soak it in. I know this is a lot.

Agent 1      Yeah, and we've got a lot that you'll probably need to see before you say too much.

Dr. Ho      Okay.

Agent 1      Because what I don't want to have happen to you is – you know, another problem when people start talking too much too quick, there's also another violation called a thousand and one, which – it deals with false statements. So you need to know what we've got here so you can, you know, really speak knowledgeable of what we say.

Agent 1      Sounds good?

Dr. Ho      []

Agent 1 Okay. So we were interested in Ching at that point in time. And we knew about you, because you're all over his stuff. You know, we realized that, you know, you knew him through CANTA and that you guys had a relation going back, and it was clear that when he brought – provided consulting to CGNPC, that he did it through your company, ETI.

Dr. Ho Okay. I have something to explain, if that's okay.

Agent 1 Okay. We'll definitely get there. So we were very interested when he had setup the trip to go to China to provide consulting, and when you were going through the airport, he managed to – he didn't tell the whole truth, for sure, which didn't help him. And when we reviewed his papers and his documents, and he had substantial amount of export control under 810 reporting and proprietary information to [] that he was planning to travel and provide. And in the end, he did, because he still had all that stuff backed up on his laptop. And when he came back, we did the same thing, and we've seen the emails where he tells you about it, and he tells you there was a search at his house, and – we've been working through that process. And that's two – almost two years ago, and here we are today. And in those two years, a separate investigation in to what ETI is and how they work was conducted. And in doing so, we've learned a lot about you. You – you're an impressive guy, in all fairness. We've seen your house in Delaware. It's a beautiful house. We've seen you – you're the president of ETI, which not everyone – that's the American dream. And I have it written down here, because you are so many things. I've got you as the senior advisor, or senior consultant, to CGNPC. An executive consultant at CNPRI. The general manager of [] Science and Technology Company, maybe Canton Foreign Sci Tech Exchange Consultant Company. A little shady on that, whether that's one and the same thing, or they're two different things.

Dr. Ho Could you repeat the name of the last one?

Agent 1 Canton Foreign Sci Tech Exchange Consultant Company.

Dr. Ho I have nothing to do with that.

Agent 1 Okay. So – we've seen you in newspaper clippings from China, where you're discussing, you know, China's ambition for commercial nuclear moving forward. You're an impressive guy, and we don't take this very lightly, coming and –

Dr. Ho Did you say I wrote something?

Agent 1 We've seen newspaper clippings where you were giving speeches or presentations in – over in China, talking about the development of commercial Chinese nuclear.

Dr. Ho I never gave any speeches.

Agent 1 Some of these are pretty old. I mean, they're going back to 1997, 2001, 2002.

Dr. Ho Maybe you can show me–

Agent 1 Yeah, we can get there. That's – that's really not important in the grand scheme of things. What I'm trying to say is that we appreciate that, you know, you've accomplished quite a bit, and that we wouldn't bring you here if we didn't think, you know, we had a solid reason to do so. So we've explained the charges, and the fact that it is a conspiracy charge. So CGNPC is connected in this. I need to tell you that these are not light charges. These are not the kind of charges where I go down to the local US Attorney's office and we sit and we brainstorm and we say yes. These are the kind of charges that have gone to the top of the Department of Justice to have to be approved, because the political ramifications of what we're talking about are pretty big here. I mean, you understand how big CGNPC is.

Dr. Ho No.

Agent 1 You don't?

Dr. Ho No. Most of the companies in China, they are state-owned. If – all I know is that it's one of the three [] companies in China. But if you ask me would I know how big it is, then I don't.

Agent 1 Okay. It's a big statement for the US government to charge a Chinese state-owned company, and they don't take that very lightly. And in order to do that, they had to see a lot of evidence, and they had to agree that the evidence obviously said that that was the direction we were headed. So what I'm trying to say is that – I want you to understand that this wasn't done on a whim.

Dr. Ho Okay.

Agent 1 So right now, outside of this room, there are things going on. And I think you should know about it, and that's why I'm going to tell you. Okay? Right now, there are agents at your home in Delaware, and they are talking to Annie. Annie is listed on several documents as the treasurer of ETI. She did lots of the payments, sent out the 1099s, and she's included on a lot of your correspondence where you're dealing with the day-to-day business of ETI. We're also executing a search warrant on your home, looking for evidence that would back up this indictment. We have plenty of evidence already. They're doing their due diligence. They're walking through the house – I assume you have an office. And they are searching your home right now. The same thing is happening at Mr. Rombough's house, Mr. Weiner's house. Is it "Weener" or "Winer"?

Dr. Ho He calls himself Weiner.

Agent 1 Weiner. Okay. And Mr. Lee's house. And we're talking with them. Okay? I have a list of here, there's a lot of people. Forgive me for having to cheat, but I want you to be clear on how far we're going with this. In the next day to two days, we plan on talking to the majority of these people on this list. Alan Wu, Charles Beard, Carlos Fughetti, Wen Yi Ouyang, if he gets back. I understand he's supposed to come back in May. David Seel, Kevin Hoskins, Carl Olson, your old friend from TVA Weng Lao. Is that how I say it? Lao Weng?

Dr. Ho                   Weng Lao.

Agent 1                Okay. Mr. George Rudy, Toshiyo Morita, your accountant, Pei Pei Xiang. Robert Comstock. Your two CANTA buddies, Ren Tai Shang and Jian Lai. Jian Lai has a new twist in this, I'm just going to let you know, where he signed as the general manager of ETI for Mr. Comstock's visa stuff? That changes his role as just your friend, and more of a partner in ETI. And I don't know, that's one of these – there might be some misconceptions here. And these are things that I want to talk to you about before I go talk to Jian Lai, because I don't want to accuse him of something he's not. I just want to give you the information. Ron Knott, Ron Kesterson, [ ] Kenworthy. [ ] Kenworthy – Mr. Rudy was helping you recruit him from [ ].

Dr. Ho                Oh, okay. But nothing happened.

Agent 1                Nothing happened. You're right. John Lant. I can't say Roman's last name. Roman [ ].

Dr. Ho                I cannot pronounce his last name.

Agent 1                Right? He's got a tough one, but he helped you with the reactor [ ] project. Daria Bellacassa. Daria worked with you on some of the MHI projects. And then he pushed back because he wasn't very comfortable with the CGM project is the way that I read it.

Dr. Ho                Okay. Yeah.

Agent 1                We'll go out to CSA and talk to Mr. Paulsen. Okay? That's the people. You have a relationship with all of those people, and a lot of those people – a lot of those people push back, you know. We have it in the books, we have it in the evidence where they questioned about having licenses, acting as consultants, as independent consultants. They asked specifically about 810. I know Mr. Lee is very cognizant of you going through the 810 process right now. So we're going to talk to them, and they're going to tell us their story. They want to – people are going to show up just at their door, and I'm sure it's going to be very similar to you, where they're surprised, and they're uncomfortable, and we know that, and it's unfortunate. But they're going to ask how'd they get wrapped up and what's going on today. When we're done, we're going to circle back around to some companies. Now all the companies on here, we've talked to already. But we've kept it fairly minimal, just trying to understand the technology that was leaving these companies and whether or not it had value to them or not. And, at this point, they don't know anything about CGNPC. They don't know anything about Allen Ho. They don't know anything about any of your consultants. But they know that we have concerns. So in the next couple of days, we'll talk to Westinghouse, and we'll talk about the technology that many of these guys, your former colleagues from Westinghouse, are providing, and how they're providing it for basically pennies on the dollar. Westinghouse has big plans to sell the know-how to China, and I don't think they're going to be very pleased with the fact that, basically, you're underbidding them. And that's business,

I get it. But it's very proprietary in nature to them. We'll see. So we'll talk to them. We'll talk to Nuscale. Nuscale – you already somewhat have a relationship with Nuscale. We will explain the joint venture process. And I understand that you're trying to broker a joint venture, where you're somewhere in the middle there, forcing NPRI and Nuscale to develop the SMR project. And from our side of the table, where we sit, joint venture projects don't generally work out well with US companies. In the end, they're left with not much. And that's just us looking out for us. Now I know you're familiar with DOE providing Nuscale hundreds of millions of dollars in grant money to develop SMR. It's in our best interests to explain how joint ventures generally work out. So we will go and make contact with Nuscale and we'll talk to B&W. B&W – Mr. Rombough has specifically asked for B&W stuff over and over and over. And it's very – it's very obvious that no one else has asked for B&W stuff. It was pretty early on – it was pretty easy to indicate that, you know, this guy must know something about B&W and, sure enough, he worked for B&W. And every time he's over there, Li Xing Gang – am I saying his name right? – asked him for how to – the [ ] detector system. Or asked him for the step-by-step processes that are – belong to B&W. Now we'll go to EPRI and we'll talk about the millions of dollars in reports that Ching Guey provided. And there's – there's evidence that suggests that maybe some of the other guys were providing [ ] reports as well. But they're all doing it on behalf of their ETI contract. They go over there for ETI and they provide these reports. EPRI – I talked at EPRI. The EPRI CEO knows the CGNPC CEO personally. He told me he couldn't figure out why he couldn't sell EPRI memberships in China. And "why would you buy the cow when you get the milk for free?" kind of concept here, is that Ching Guey gets paid roughly \$8,000 a trip – all expenses paid – he comes back, you know it. And an EPRI membership costs, what, do you know?

Agent 1 It's expensive.

Agent 1 I think TVA pays somewhere around \$40 million for a three year membership.

Dr. Ho \$40 million.

Agent 1 Yeah. It's a big deal. So we talked to EPRI. They're not happy. I don't think they will be when we're able to show this. And then we'll talk to Areva and it's very clear that you've been tasked to fill in the black boxes, to fill in the missing pieces of the tech transfer that Areva did not want to sell to CGNPC.

Dr. Ho Oh? I never heard about it.

Agent 1 Your own emails call the thing black boxes, and this is kind of where Tim warned you earlier.

Dr. Ho I'd like to read that one then.

Agent 1 Okay. We can definitely get in to all that. But the fact is that – and maybe I'm wrong, and – it's very possible. And I will never know until you tell me. But on the outside, it looks CGNPC has a reactor design and, in order – they want to get in to

the world market. And in order to do so, they need to create their own reactor. And why start from scratch when you have a design right here and you just have to manipulate it, maybe 30%? And it looks like, on paper, that you've been tasked, you know, to find the right people that could help manipulate that reactor enough so that CGNPC can sell one outside of China and call it their own. Not to mention – not to mention – the reports that Ouyang is getting from Columbia University are fairly proprietary in nature. So they had access to [ ] reporting because they were doing the CHF testing at Columbia. I'm pretty sure – and we haven't talked to Areva yet about this reporting – but that – they're not going to want the testing they did on their fuel to be provided to competitors. So – it's on our list of things to do, people to talk to, with regard to this situation. So we get to the 810 piece. Maybe you're thinking, "I don't know anything about 810, and 810 is difficult to understand" and I might agree with you there, but I'm not a nuclear engineer either. Reality is, when Ching Guey helped you send somebody from Daya Bay to Florida Power and Light in 2006 – and I know that's thinking way back. You sent somebody there – I don't know if he was an – I assume he was an engineer, maybe even a probabilistic risk assessment.

Dr. Ho [ ]

Agent 1 Okay. So, in order to do that, he went through the 810 process, from beginning to end. We have emails where he's sending it to you, and he's explaining that, you know, he's been worked through the lawyers, and, you know, we have to make sure we're clean with DOE, in order for this to happen. And the visit happens, and then the guy goes back to China. And Ching Guey still has to do some reporting which goes to DOE, and he lets you know – and you pay him quite handsomely. I think he gets a check for somewhere around \$3,000 for going through the process, accommodating this individual for a week – I mean, he picked him up at the airport and managed to get him back to the airport. And then handling the reporting on the end. We've been around. We've talked to several engineers and people in the industry –

Dr. Ho [ ] I totally got lost. I'm not aware of those.

Agent 1 Okay. That's fine. I'm not making anything up. The people that I talked to in the industry have never been paid for accommodating a visitor. So it strikes me as odd. But nonetheless, ETI managed to pay Mr. Guey for that visit.

Dr. Ho I have a very good reason for that, but I'll wait until my lawyer's here I'll explain all those things.

Agent 1 Okay. Then we have countless contractors, individual contractors and companies, that have talked to you over the years about 810, raised concerns. You know them, I know them. Half of them are on that list of people that we're going to go talk to.

Dr. Ho      Most conversations took place between me and George Rudy right? I think you've mentioned that person's name? Yeah, I think he was the guy doing all those – talking.

Agent 1      And it looks like he's clearly trying to help you go through the 810 process.

Dr. Ho      I told him that. I told him that day for this – to go through this 810 process.

Agent 1      Right. And that's what I'm saying, is that you understand 810. You know it exists.

Dr. Ho      Yeah.

Agent 1      And I know they hired lawyers to help you get through DOE. And they're great lawyers, by all accounts, and they're helping facilitate that process. And I know you submitted an application – it's been a while, right? 2013 or something? September, I think? And you're trying to go through the process. The problem is – the things you were doing in the beginning and the things that continued – ETI continued to provide to CGN without the authority.

Dr. Ho      Yeah, but, there are different levels of involvement. I can explain that later on.

Agent 1      Okay. And I know – I know your lawyers have kind of coached you up on if it's IT, only notification is needed. And, you know, we can – if we can manage to finagle this in to an IT thing, you know, we're good. Here's the problem: so we conducted search warrants of your email accounts, all of them. Predominantly your AOL one. And we found ten years and thousands of emails. We reviewed all the emails. Okay? We pulled out the technical ones – and there's quite a few – and that's how we got these names. And we provided them to DOE. DOE reviewed them. It took them a while to really get a thorough understanding of what was going on through ETI at CGNPC. They came back with fourteen different individuals or companies who had 810 violations. CSA self-reported during that time, that they thought that you had authorization and they learned otherwise. So they self-reported to DOE. So they're in that fourteen. And I'll tell you that your list is growing.

Dr. Ho      I did involve – include CSA [] application for 810.

Agent 1      So – and that becomes an issue, is – there's a difference between submitting an application and receiving, you know, the blessing of DOE, Secretary of Energy, which you didn't get. You [] you kept going over. That's the problem. Your list is growing, and there's a good chance that Mr. Comstock will be added. And he's brand-new, and I expect that will be maybe in the next couple of days? So that's where we are with the DOE portion. Your indictment is very – it's two things. Okay? On the front end, it's extremely heavy. The sentencing guidelines – basically, like, the penalty that you're looking at for the Atomic Energy Act – and the way that it's written is that you violated it on behalf of China. You're looking at thirty years to life in prison, and a \$250,000 fine. That is a substantial penalty, and I know that's overwhelming. The "agent of a foreign power" is actually less, and it's about 10 years. Having said that, there's other avenues that we have not even begun to

explore. And I want you to know that they're out there and – we're sticking to this, that this does exist. And I'd be holding back information if I didn't tell you. Okay? There are charges that we could explore that would go down the asset forfeiture lane, which would mean that we might start seizing assets that were bought with the funds provided by ETI, which could include your house, your cars, your retirement accounts in Morgan Stanley. We could – there could be implications for other people to be arrested, to include several of these consultants, because they have 810 violations. Annie, because she is the treasurer of ETI, and her knowledge of what was going on appears, in the emails, to be fairly substantial. And potentially Jian Lai, because now he's listed as a general manager. And I don't know what he knows, but these are things that we might have to presume. And then we have your tax issue. Are you aware of the fact that you haven't paid taxes? The IRS says you haven't paid taxes in over five years.

Dr. Ho I did pay taxes every year.

Agent 1 We looked for your social security number and we didn't find anything under your name or Annie's name.

Dr. Ho Oh, because that's the – what do you call it – the S corporations? So these two things combined.

Agent 1 Okay. That's good. That's one less thing we gotta worry about. That's fantastic.

Dr. Ho Yeah.

Agent 1 But I want you to realize there is a lot going on. The process today is fine. You don't have to talk. I just want you to know, kind of, that this wasn't whimsical. This isn't something we just did. There's a lot of work that's gone in to this.

Dr. Ho Yeah. I think – and I want things to explain, but I think if I have a lawyer here, I would be more comfortable.

Agent 1 And that is – that's great. And we will wait. That is not a problem. But I wanted to make sure you knew where I was coming from. Okay? So the process, moving forward, is today, we will take you down to the US Marshalls. They will process you, which means basically they'll take your fingerprints, they'll take your temperature to make sure you don't have Ebola, just – stuff. Shortly after that, an attorney will be appointed to you, and that attorney will kind of talk you through the legal portion. This is not your end-all attorney by any means. He is going to take you through what is your initial appearance, and your initial appearance will be this afternoon. You will see the judge, and the judge will kind of explain the laws to you a little bit and let you know what comes next. You'll get an opportunity to render a plea. Your attorney will coach you up and you'll plead not guilty. That's fine. And then we'll move forward with the process. It's kind of my job to encourage you to cooperate, because there are things out there. I honestly don't want to harass a lot of these guys. I mean, Mr. Wu is how old? He's eighty something. Mr. Toshiyo is the same. I don't want to bother them. But if I don't

know, I have to go ask. And down the road, if it works out that you're found guilty, there will be what is called a downward departure process. And that is basically where – it's an opportunity for you to help yourself. Okay? And traditionally, the judge looks at two things. So I told you there's a gap, right? Thirty years to life. The judge looks at that and he makes a decision. And his decision, he generally will ask the case agents for a recommendation. And that doesn't mean I have any sway whatsoever. I can't tell a judge how to do his job. But what I can tell him, and what he'll ask me, is two things about you: One, is your accountability. Did you acknowledge that this happened, and – I imagine there's a story in there. To be honest with you, I have that you were – and this is my own theory, and you can tell me if I'm crazy, but – in 1990 something or other, you're over there, and you see an opportunity to have – to bring consultants to Daya Bay, to CGNPC. And you start the business, and you start bringing people, and you're in a tough situation, because you have two cultures here. You have the Chinese culture, and the expectations, and their rules, and their laws, and – I have no idea what goes on in China. And then you have the US culture, and you have these US guys, and US laws, and US ideas. And somehow, you gotta manage to walk and balance down the middle from both sides. And along the way, somehow, they start asking for things that maybe they shouldn't ask for. And your company manages to bring them. And the expectation is set, you know? If we need – we have a need for thermal hydraulics. Ask Dr. Ho. Dr. Ho? Give me a thermal hydraulic guy. Carl Olson, you're a thermal hydraulic guy. Could you come over and provide some information? You become the guy that they go to, and I don't know how you stop that, because it looks like a successful business. Your house is successful. It's a beautiful house. We looked at your accounts, millions of dollars over a five, six year period have come over from your company in First Link in Hong Kong. It's hard to walk away.

Dr. Ho Millions of dollars, hundreds of thousands. You – maybe you're seeing one extra zero.

Agent 1 It's hard to walk away from success.

Dr. Ho Yeah, I know, but if we can make the impression corrected, it's only hundreds of thousands of dollars.

Agent 1 We've done financial analysis. I can show you here, since you brought it up. So we were having a look, and this is from 2009 to 2014. And it looks like money gets transferred from the Bank of China to First Link, and from First Link in to ETI accounts. In the one account, we've got \$2.2 million, give or take.

Dr. Ho Oh, you meant overall.

Agent 1 Yes, sir.

Dr. Ho Oh, okay.

Agent 1 And then \$750,000 in the other. So that's five years, roughly \$3 million, where we can show the money kind of over time.

Dr. Ho Yeah, that's about right.

Agent 1 It's hard to walk away from success, and – that's my theory, is that –

Dr. Ho It's not the profit. It's [] costs.

Agent 1 No, sir. I know you gotta pay for your business. You gotta pay your consultants. You gotta pay their airfare. I absolutely agree. But it's your business. And you're a businessman. And without it, you have no business. So, I get it. That's my theory. I have no idea how it really happened. But nonetheless, it happened. We have pretrial certifications from the DOE saying that the technology that was transferred required the authority and the blessing of the Secretary of Energy, and it was never given. That's the situation that you're in. But – I want to give you a chance – and I get this, and – moving forward, you have an opportunity to help yourself. Don't do it today. We'll talk. We'll talk again, I promise you. Realize that you have options, and there's ways for you to help yourself. Now we talked commercial nuclear, and I know you know nuclear has dual use purposes. Okay? There are ways to help yourself beyond this case. So I don't know what your level of knowledge is in the Chinese structure, and the goals and the plans for – and how – and I'm just going off of what, you know, I've learned and what they teach us here. And maybe I'm completely confused. But in our idea of how China works, is that at the end of the day, whatever's good for commercial is also good for military. And whatever's good

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Dr. Ho This is something I don't know.

Agent 1 Okay. Just hear me out.

Dr. Ho Okay.

Agent 1 So whatever's good for military's good for commercial, too. You know? At the end of the day, they're both hands and they're both feeding the body and they want to work together. And –

Dr. Ho I agree with you that one thing is clear to me. Some of the organizations in China, they don't divide the function between military and commercial, which is true.

Agent 1 Right.

Dr. Ho Yeah.

Agent 1 So – and you have a relationship at NPIC now, right? With the lab? That might be one of those places.

Dr. Ho Yeah. That's one of the places.

Agent 1 Okay.

Dr. Ho But not CGNPC. CGNPC is purely civil.

Agent 1 I don't want you saying anything that you're not comfortable with. Okay? And I don't even want to talk about it today. But I want you to realize there might be things that you know that are valuable to the United States. Because China is – it's like a black hole, you know? We have very limited understanding of what goes on there. You understand that, you know, their internet is regulated and – it's not – we don't see their news. We don't have spies walking around. But there's stuff that you know from being over there for a long time that is extremely valuable to us. There are options for you. Good options. Options that could affect Duffy and his mom. We might be able to help you. We might be able to – there are possibilities. I want you to think about all of okay? The downward departure issue will come at some point. Accountability, cooperation. It's kind of where we're at. If you decide – talk to your lawyer, everything goes well – that cooperation is something that you're interested in, all that becomes sealed. It never gets released. No one ever knows any the better. But the clock on it starts, because your friends at CNPR are – I guarantee you, they're on the phone right now. And they're telling somebody that something happened. And they're telling somebody, and they're telling somebody, and they're telling somebody. Right? And – how useful what you know and what you have – it diminishes over time and over distance. So that's kind of where we're at. I think that you should stick to your guns. Okay?

Dr. Ho [] about cooperation, right? I don't understand. Everything I do is just tell you what I know.

Agent 1 Right. And, you know – so we would get to a point – let's transition. Okay? That's kind of my shtick. That's my spiel. That's what I know. That's the process that we're headed towards. You want to have question time? I'm not going to give you []. Okay? Because you've – you've pretty much made it clear you don't want to answer questions without a lawyer. So I'm not going to ask you anything. If you have questions, we'll talk. You're good with that?

Dr. Ho Yeah. That's my question. What do you mean by cooperation?

Agent 1 Cooperation would be – we can't have cooperation without accountability. Okay? So accountability lets us know that you acknowledge the situation. You realize you messed up. And you're willing to take that consequence on. That consequence – we can play with the consequence. Okay? Once we have accountability, we start cooperation. Cooperation is where we start to your earliest days at [DIABEY] and we talk about it to this morning. And we talk about everything that has ever happened. You give us a deep understanding of how things work at CGNPC, CNPRI, how they go up, how they are – how the government of China pushes down, and how they interact. And some of the better ends of cooperation would be where you start talking about how people at CNPRI and, maybe Li Xing Gang talks and he knows what's going on, and they still ask you for things. You know? You've

made it clear that 810 is a process and that you have to go through it and, you know, I've seen your language, where you call it a technicality. It's more than a technicality. And that people encouraged you to provide these individuals anyway. We talk about all that. And then we'd really like to get in to the offshore SMR process. I know that CGN is tasked to develop it. The end goals. This is where I think that maybe the PLA and CGNPC might have interests – whether it's not as direct. But I think, you know, there's a structure. And at the top is the government. CGNPC is down here somewhere. They tell them build an offshore SMR. They say yes, because they have to. Over here, the PLA is saying we want an offshore SMR, and we're going to power islands, or we're going to develop better submarines, or – I have no idea. We think that you have knowledge. You've been over there a long time. You're a senior consultant, an executive consultant. I've seen pictures – I've seen emails where you talk about the CEO being your friend. You know people. I have no idea what happens in China.

Dr. Ho Yeah. I know the CEO when he was the plan operator.

Agent 1 Right? You've been around for a long time. And you get how it works. We have no idea. All we have is assumption. So cooperative would be starting at the beginning, working to the end. Seventy percent of that process will be you telling your story. Thirty percent of that is going to be us asking really hard questions.

Dr. Ho What you said, it has to come down to this accountability. How do you judge on this accountability. Otherwise, everything I said, if you don't believe it–

Agent 1 Absolutely, so – that's going to deal – that's going to come in to the part with your lawyer. You're going to have a lawyer, and he's going to look at it, and he's going to lawyer. Because that's what lawyers do. And he'll get you a deal. And in that deal, you'll have to take some responsibility. It's just kind of how it works.

Dr. Ho So did I hear you correctly? Your accountability is equivalent to responsibility here?

Agent 1 Yes.

Dr. Ho Okay.

Agent 1 It's that you knew that 810 existed. You knew that it was applicable to the technology–

Dr. Ho I didn't know 810 until three years ago, when someone said "Oh, there's a conference held in Washington, DC area about 810." And–

Agent 1 I don't want to go [] I just want you to think. Okay? So in 2006, Ching Guey did go through it. And I get if you didn't read his emails, because you got a lot of emails coming in–

Dr. Ho No. It's not 2006. Ching Guey's issue was only two, three, four years ago?

Agent 1 Yes, in 2014. But at Florida Power and Light, Ching Guey went through the 810 process, in 2006, in order to have the visitor that you asked him to have in from Daya Bay. So that visitor came for a week, and Ching Guey had to go through that whole 810 process, and he sent you the paperwork.

Dr. Ho 2006?

Agent 1 Yes, sir. That's way back. I know.

Dr. Ho I don't recall that. Sorry. That is old.

Agent 1 That is an old date. The reality is, like—

Dr. Ho Let me interrupt you. In fact, when Ching Guey's issue happened in – well, two or three years ago, he asked me about, "How much do you know about 810?" I sent him some 810 documents or some links about 810, because I learned that after I attended this conference in Washington, DC. But now – he gave me the impression that he knew about 810 before?

Agent 1 Yes. And the reality is, if you learned about it three years ago, the violations are ongoing. So Mr. Rombough's work on the [] coolant validation and verification.

Dr. Ho Okay. For those, I got the stories. But [] I can explain that. I have a lot of stories to tell you.

Agent 1 They're current and they're ongoing.

Dr. Ho Yeah. I understand.

Agent 1 And that's the problem. I would love to hear your stories. But we're not going to do it today.

Dr. Ho Okay. And one thing you got right – since I've been away from the tech field stuff. Actually, I'm just doing business. Personally, I already forgot those technical details.

Agent 1 I get it. That's a long time ago. And that's your role. Your role is the businessman. In this situation, the business crossed over the line. And it's unfortunate, because, you know – most of the time, your business is here. If this is the line of, you know, where we can go, it's these times that have gotten us to this situation. And it's very unfortunate. I'm not looking to send anybody to jail for life, that seems crazy. And I want to help you through this. Okay?

Dr. Ho Thanks.

Agent 1 Talk to your lawyer. Figure it out. And – I just want you to know that there's options out there, and that you are not, by any means, shut down. You can fight for your own life. Okay?

Dr. Ho Good.

Agent 1 Do you have anything?

Agent 2 I'll just say the biggest thing to think about as you go through this is an inventory of honesty, because there'll be things that, if you're not honest about, and we already know, may become problematic in the future for anything that you may have set forth for helping yourself. So that'd be very important.

Dr. Ho Actually, I'm looking in to the whole retirement, in my life. In the next couple years, I'm done with all this.

Agent 1 We want to help you get there. And I think there's avenues. Moving forward – and this is kind of why we brought you here–

Agent 2 Do we want to get some breakfast?

Agent 1 We should get some breakfast.

Agent 2 Yeah. Let me see if–

Agent 1 Okay. When we get to the marshalls, you can't have anything.

Dr. Ho Oh. Is that right?

Agent 1 Other than the shirt on your back, the pants and the shoes. So like your tie, your belt, your coat. These things, we'll take. We'll put in a box. We'll send it to Annie. Okay? Bathroom?

Dr. Ho Yeah. Actually [] most of the things, I'm just acting like–

Agent 2 Just oatmeal okay, if they have that?

Dr. Ho Yeah. Please.

Agent 1 Do you like it plain? Or do brown sugar, raisins?

Dr. Ho Plain. Yeah, with raisins, fine.

Agent 2 Or with raisins. If they don't, he'll call and let us know. I want to make sure you've got some food and are feeling well as this proceeds.

Dr. Ho Yeah, especially like Ching Guey's case, I think I – damn. Everything was managed between himself and someone else.

Agent 1 It's better if we just don't even talk about it today, Dr. Ho. I think that's kind of the, you know, there was two paths. You could have talked, but you didn't and that's okay. I just don't want there to be a grey line. I don't want it to be, you know, I

don't want you to say anything that at the end of the day can help or hurt you, you know?

Agent 2      Are we done? Do you want me to hit stop on–

Agent 1      Yeah, I think we're done. We're just going to relax. Get some breakfast

Agent 2      We'll get some food in.

**[Time Stamp: 0:51:25]**